

**COMMONWEALTH OF MASSACHUSETTS  
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY**

RE:       Application of the Cape Light Compact pursuant  
          to G.L. c. 164, App. §§ 2-1 through 2-10, and  
          220 C.M.R. §§ 7.00 et seq., for approval of its  
          proposed operating budget for their Residential  
          Energy Conservation Service Program for the  
          period of January 1, 2004, through December 31, 2004

DTE 03-113

**Cape Light Compact's Response to the Department of Telecommunications and  
Energy's First Set of Information Requests**

DTE-1-1       Please refer to page 3 of the Compact's Program Description for its  
                Massachusetts HomEnergy Program 2004. Explain whether carry-over  
                funds from the 2003 HomEnergy Budget are transferable to another  
                account in the 2004 budget, or do the carry-over funds remain within its  
                2003 budget account.

Response:       Any carryover funds from the 2003 HomEnergy Budget will be  
                  transferred into the 2004 HomEnergy Budget. After the carryover is  
                  transferred into the 2004 HomEnergy Budget, nothing will remain in the  
                  2003 budget account.

Respondent:    Kevin Galligan, Energy Efficiency Program Manager of the Cape Light  
                  Compact.

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## Cape Light Compact's Response to the Department of Telecommunications and Energy's First Set of Information Requests

DTE-1-2 Please refer to “Budget Categories and Format” of the 2004 filing and “Budget Categories and Format” of the 2003 filing (D.T.E. 02-64). Explain the reasons for: (a) the budgetary reduction in Customer Incentive-Energy Efficiency Incentive; and (b) the budgetary increase in Program Implementation-Audits-Vendor.

Response: (a) The Customer Incentive and the Program Implementation budgets equal the total budget that the Compact spends on the HomEnergy vendor. For the 2003 HomEnergy budget the Compact assumed that, of the total vendor budget, 90% would be used for Customer Incentives and 10% would be used for Program Implementation. For the 2004 HomEnergy budget the Compact assumed that, of the total vendor budget, 75% would be used for Customer Incentives and 25% would be used for Program Implementation. This latter assumption is based on more experience in working with the HomEnergy vendor and implementing the HomEnergy program, and is a more accurate reflection of budget allocations than the former assumption. The effect of this more accurate assumption is to shift some of the budget out of the Customer Incentive-Energy Efficiency Incentive budget and into the Program Implementation-Audits-Vendor budget.

(b) See response to (a).

Respondent: Kevin Galligan, Energy Efficiency Program Manager of the Cape Light Compact.